

Staff Summary Report



Council Meeting Date: January 22, 2009

Agenda Item Number: _____

SUBJECT: Approval of and authorization for the Mayor to execute the Renewal of Agreement C2002-193 between the Tempe Convention and Visitors Bureau and the City of Tempe for a period of six months.

DOCUMENT NAME: 20090122crsh01 **TEMPE CONVENTION AND VISITORS BUREAU (0109-26)**

COMMENTS: The estimated amount of payments to be made to the Convention and Visitors Bureau during the six-month renewal period is \$1,000,000.

PREPARED BY: Shelley Hearn, Community Relations Manager, 480/350-8906.

REVIEWED BY: Stephanie Nowack, Tempe Convention and Visitors Bureau, President and CEO
Jerry Hart, Financial Services Manger, 480-350-8505

LEGAL REVIEW BY: David Park, Assistant City Attorney, 480-350-8907

FISCAL NOTE: Sufficient funds have been appropriated in Cost Center No. 3526

RECOMMENDATION: Staff recommends approval of the amended agreement for the six (6) month period, ending June 30, 2009, to allow both parties time necessary to negotiate a new agreement on the collection and distribution of bed tax in the City of Tempe.

RENEWAL OF THE TEMPE CONVENTION AND VISITORS
BUREAU, INC. AGREEMENT

C2002-193b

THIS RENEWAL OF THE TEMPE CONVENTION AND VISITORS BUREAU, INC. AGREEMENT (“**Renewal**”) is entered into by and between the Tempe Convention and Visitors Bureau, Inc. (the “**Bureau**”) and the City of Tempe, a municipal corporation (“**Tempe**”).

RECITALS

A. WHEREAS, the Bureau and Tempe are parties to that certain Tempe Convention and Visitors Bureau, Inc. Agreement (“**Agreement**”) made and entered into by and between the same parties on or about December 26, 2002 and the First Amendment to that Agreement made on or about October 8, 2007; and

B. WHEREAS, the original Agreement expired on January 1, 2009 and the parties desire to renew that Agreement for an additional period of time, subject to the terms and conditions set forth herein.

NOW THEREFORE, in consideration of the promises and mutual obligations of the parties as are more particularly set forth in the Agreement, that the same be and are hereby reaffirmed and amended by this Renewal as follows:

I. **FUNDING**: Section 6 of the Agreement is hereby deleted and shall be replaced to read as follows:

6. FUNDING

(a) Subject to the deductions as set forth in this Agreement, the City shall provide the following payments to the Bureau unless altered as set forth in subsection B:

By the second Friday of each month, the City will pay to the Bureau two thirds of the monthly actual bed tax collections, less the collections from the Rio Salado Community Facilities District

(b) Notwithstanding any other provision of this Agreement, the City may alter the payment schedule set forth in this Agreement upon thirty (30) days written notice to the Bureau.

II. **TERMS**: Section 8 of the Agreement is hereby deleted and shall be replaced to read as follows:

8. TERMS

(a) The term of the Agreement is from January 1, 2009 to June 30, 2009 and shall be renewed only upon mutual written agreement of the parties.

(b) If a party defaults in the performance of any of the covenants, agreements, terms or conditions of this Agreement and such default is not cured within 30 days after notice of such default is given by the non-defaulting party, or such longer period as may be necessary provided the defaulting party has commenced curing within such 30 days and diligently pursues such curing to completion, the non-defaulting party shall have the right, at its option, to immediately terminate this Agreement, whereupon it shall have no further obligation or liability under this Agreement, or to seek full and adequate relief by injunction or other legal and equitable remedies (or all of the above).

DATED this 6th day of January, 2009.

CITY OF TEMPE

Hugh Hallman
Mayor

TEMPE CONVENTION AND VISITORS
BUREAU, INC.

Stephanie Nowack
Stephanie Nowack
President and CEO

ATTEST:

City Clerk

APPROVED AS TO FORM:

City Attorney